



General Assembly

January Session, 2011

***Amendment***

LCO No. 7554

**\*SB0029907554SD0\***

Offered by:

SEN. MUSTO, 22<sup>nd</sup> Dist.

REP. TERCYAK, 26<sup>th</sup> Dist.

SEN. KELLY, 21<sup>st</sup> Dist.

To: Subst. Senate Bill No. 299

File No. 155

Cal. No. 143

***"AN ACT CONCERNING THE ENFORCEMENT OF SURETY  
CONTRACTS BY NURSING HOMES."***

- 1 Strike lines 8 to 44, inclusive, and insert the following in lieu thereof:
- 2 "(b) [Nursing] For surety contracts entered into on and before
- 3 September 30, 2011, nursing home facilities, as defined in section 19a-
- 4 521, shall be prohibited from enforcing a surety contract on behalf of
- 5 an applicant required as a condition of admission unless: (1) The
- 6 guarantor under such contract or [his] the guarantor's spouse, [or his
- 7 children] child or [his grandchildren] grandchild has received an
- 8 assignment or transfer or other disposition of property for less than
- 9 fair market value, pursuant to section 17b-261, from the applicant; or
- 10 (2) the applicant fails to return a properly completed application for
- 11 Title XIX benefits to the Department of Social Services in accordance
- 12 with its regulations; and (3) such contract contains a clause which
- 13 states the contract is enforceable against the guarantor or [his] the
- 14 guarantor's spouse, [or his children] child or [his grandchildren]

15 grandchild if such guarantor or [his] the guarantor's spouse, [or his  
16 children] child or [his grandchildren have] grandchild has received an  
17 assignment or transfer or other disposition of property for less than  
18 fair market value, pursuant to section 17b-261, from the applicant or if  
19 said applicant fails to return a properly completed application for Title  
20 XIX benefits to the Department of Social Services in accordance with its  
21 regulations.

22 (c) For contracts and admission agreements entered into on and  
23 after October 1, 2011, nursing home facilities, as defined in section 19a-  
24 521, shall be prohibited from enforcing a contract with a third-party  
25 guarantor or an admissions agreement entered into with a responsible  
26 party who has access to an applicant's or resident's assets or financial  
27 information unless: (1) The guarantor under such contract or the  
28 guarantor's spouse, child or grandchild has received an assignment or  
29 transfer or other disposition of property for less than fair market value,  
30 pursuant to section 17b-261, from the applicant; or (2) the applicant  
31 fails to return a properly completed application for Title XIX benefits  
32 to the Department of Social Services in accordance with its regulations;  
33 and (3) such contract or admissions agreement contains a notice  
34 advising the applicant and third-party guarantor or responsible party  
35 that: (A) The contract or agreement is enforceable against the  
36 guarantor, the guarantor's spouse, child or grandchild if such  
37 guarantor or the guarantor's spouse, child or grandchild has received  
38 an assignment or transfer or other disposition of property for less than  
39 fair market value, pursuant to section 17b-261, from the applicant or if  
40 said applicant fails to return a properly completed application for Title  
41 XIX benefits to the Department of Social Services in accordance with its  
42 regulations; (B) state and federal law prohibit a nursing home facility  
43 from requiring a third party to personally guarantee payment as a  
44 condition of admission or continued stay in the facility; and (C) due to  
45 the complexity involved in preparing an application for Title XIX  
46 benefits, it may be advisable for the person completing such  
47 application to seek professional assistance or legal advice. Such notice  
48 shall be written in not less than fourteen-point, boldface type, shall be

49 stated in plain and simple language and, whenever possible and in  
50 accordance with any applicable federal guidelines, shall be in the  
51 primary language of the recipient."